

DECLARATION OF LESLIE MORGAN

I, Leslie Morgan, hereby declare as follows:

1. I am employed as the Assessor-Recorder in the Shasta County Assessor-Recorder's Office. I have personal knowledge of the facts set forth herein and if called as a witness could and would testify competently thereto under oath.

2. Cal. Rev. & Tax. Code § 441 defines the requirement of businesses to file a Business Property Statement. These statements are reviewed by an Auditor-Appraiser who categorizes the equipment and then applies the appropriate index and depreciations tables. The tables are compiled by the California Assessor's Association and supported by the State Board of Equalization including methodology for input from the public. Debtor was subject to an audit in 2007 which reviewed the assessable values for 2004, 2005, 2006, and 2007. After performing the audit with the taxpayer, the findings from the audit are carried forward to the 2008 and 2009 assessments. The only changes made during 2008 and 2009 are for disposals and acquisitions.

3. On May 11, 2009, the Shasta County Assessor-Recorder's Office received a Business Property Statement from Circuit City Stores, Inc. ("Circuit City"). The Business Property Statement was signed by Sarah Harris, the authorized agent for Circuit City. Ms. Harris identified her title as being "Tax Supervisor." Ms. Harris identified the location of the business property as being 1175 Dana Drive in Redding, California, which is located in Shasta County. Ms. Harris, as the authorized agent for Circuit City, declared, under penalty of perjury under the laws of the State of California, and to the best of her knowledge and belief, that the Business Property Statement included all property required to be reported which was owned, claimed, possessed, controlled or managed by Circuit City at 12:01 a.m. on January 1, 2009. A true and

correct copy of the Business Property Statement from Circuit City, signed by Ms. Harris, is attached hereto as Exhibit 1.

4. The Business Property Statement was accompanied by a Circuit City transmittal Memorandum from Scott Ash noting that the attached Business Property Statement was for "assets located in your jurisdiction."

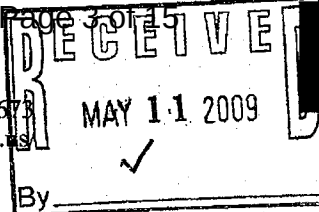
I declare under penalty of perjury that the foregoing is true and correct.

Executed this 17th day of September, 2009 at Redding, California.


Leslie Morgan

**BUSINESS PROPERTY
STATEMENT FOR 2009**

Exhibit(s) Declaration of Costs and Other Related

(Declaration of costs and other related
property information as of 12:01 A.M.,
January 1, 2009)Shasta County Assessor
1450 Court Street, Suite 208-A
Redding, CA 96001-1667
(530) 225-3600 FAX: (530) 225-5673
Web Site: http://www.co.shasta.ca.us**2009**

RETURN THIS ORIGINAL FORM. COPIES WILL NOT BE ACCEPTED.

NAME AND MAILING ADDRESS
(Make necessary corrections to the printed name and mailing address.)**OWNER**

NAME Circuit City Stores, Inc.
DBA DBA: Circuit City Stores West Coast, Inc.
STREET Attention: Tax Department, P.O. Box 42304
CITY Richmond, VA 23242
 Acct:800003290000

**FINAL
RETURN**

FILE RETURN BY APRIL 1, 2009

LOCATION OF THE BUSINESS PROPERTY
STREET 1175 Dana Drive
CITY Redding CA 96003

(File a separate statement for each location.)

PART I: GENERAL INFORMATION

COMPLETE (a) THRU (g)

- a. Enter type of business: _____
- b. Enter local telephone number _____ FAX number _____
 E-mail Address (optional) scott_ash@circuitcity.com
- c. Do you own the land at this business location? ☐ Yes ☐ No
 If yes, is the name on your deed recorded
 as shown on this statement? ☐ Yes ☐ No
- d. When did you start business at this location? DATE: 02/26/1996
 If your business name or location has changed from last year, enter the former name and/or location: _____
- e. Enter location of general ledger and all related accounting records (include zip code):
9954 Mayland Drive, Richmond VA 23233

f. Enter name and telephone number of authorized person to contact at location of
accounting records: Scott Ash (804) 527-4000

g. During the period of January 1, 2008 through December 31, 2008:

- (1) Has all or part of this real property been subject to a change in ownership? ☐ Yes ☐ No
- (2) Are any related entities conducting business in the county? ☐ Yes ☐ No
 If yes, provide name, mailing address, and locations: _____
- (3) If you leased this real property, has it been the subject of a lease agreement for a
period of 35 years or more (including options)? ☐ Yes ☐ No
- (4) Did you acquire "control" through acquisition of stock or otherwise of a legal entity
which owns real property in this county? ☐ Yes ☐ No
- (5) Did another person or entity acquire "control" through acquisition of stock or
otherwise of this corporation or entity? ☐ Yes ☐ No

PART II: DECLARATION OF PROPERTY BELONGING TO YOU

(attach schedule for any adjustment to cost)

	COST (omit cents) (see instructions)	ASSESSOR'S USE ONLY
1. Supplies	171	
2. Equipment (From line 35)	646,057	
3. Equipment out on lease, rent, or conditional sale to others (Attach Schedule)		
4. Bldgs., Bldg. Impr., and/or Leasehold Impr., Land Impr., Land (From line 71)	206,390	
5. Construction in Progress (Attach Schedule)		
6. Alternate Schedule A (See instructions)		SEC 463 PENALTY
7.		
8.		SEE ATTACHED

PART III: DECLARATION OF PROPERTY BELONGING TO OTHERS - IF NONE WRITE "NONE"

(SPECIFY TYPE BY CODE NUMBER)

Report conditional sales contracts that are not leases on Schedule A

1. Leased equipment
 2. Lease-purchase option equipment
 3. Capitalized leased equipment
 4. Vending equipment
 5. Other businesses
 6. Government-owned property

	Tax Obligation:	A. Lessor	B. Lessee	Year of Acq.	Year of Mfr.	Description and Lease or Identification Number	Cost to Purchase	Annual Rent
9. Lessor's name Mailing address		See Attached						
10. Lessor's name Mailing address		None					9,653	

OWNERSHIP TYPE (✓)

- Proprietorship ☐
 Partnership ☐
 Corporation ☒
 Other ☐

DECLARATION BY ASSESSEE

Note: The following declaration must be completed and signed. If you do not do so, it may result in penalties.

I declare under penalty of perjury under the laws of the State of California that I have examined this property statement, including
 accompanying schedules, statements or other attachments, and to the best of my knowledge and belief it is true, correct, and complete and includes all
 property required to be reported which is owned, claimed, possessed, controlled, or managed by the person named as the assessee in this statement at
 12:01 a.m. on January 1, 2009.

BUSINESS DESCRIPTION (✓)	SIGNATURE OF ASSESSEE OR AUTHORIZED AGENT*	DATE
	NAME OF ASSESSEE OR AUTHORIZED AGENT* (typed or printed)	TITLE
	NAME OF LEGAL ENTITY (other than DBA) (typed or printed)	FEDERAL EMPLOYER ID NUMBER
	PREPARER'S NAME AND ADDRESS (typed or printed)	TELEPHONE NUMBER
Retail <input checked="" type="checkbox"/>	Sarah Harris	Tax Supervisor
Wholesale <input type="checkbox"/>	Circuit City Stores, Inc.	95-4460785
Manufacturer <input type="checkbox"/>		
Service/Professional <input type="checkbox"/>		

*Agent: See page S4B for Declaration by Assessee instructions.

THIS STATEMENT SUBJECT TO AUDIT

INFORMATION PROVIDED ON A PROPERTY STATEMENT MAY BE SHARED WITH THE STATE BOARD OF EQUALIZATION

SCHEDULE A - COST DETAIL: EQUIPMENT (Do not include property reported in Part II.)
 Exhibit Declaration of Leslie Morgan Page 4 of 15

Include expensed equipment and fully depreciated items. Include sales or use tax (see instructions for important use tax information), freight and installation costs. Attach schedules as needed. Lines 18, 21, 33, and 42 "Prior" -- Report detail by year(s) of acquisition on a separate schedule.

Calendar Year of Acq.	1. MACHINERY AND EQUIPMENT FOR INDUSTRY, PROFESSION, OR TRADE (do not include licensed vehicles)		2. OFFICE FURNITURE AND EQUIPMENT		3. OTHER EQUIPMENT (describe)		Calendar Year of Acq.	4. TOOLS, MOLDS, DIES, JIGS	
	COST	ASSESSOR'S USE ONLY	COST	ASSESSOR'S USE ONLY	COST	ASSESSOR'S USE ONLY		COST	ASSESSOR'S USE ONLY
2008	540		540		648		2008		
2007	5021	643	4,378				2007		
2006	26,526		2,686				2006		
2005							2005		
2004							2004		
2003			191,084				2003		
2002	9,323		2,021				2002		
2001	409						Prior		
2000							Total		
1999			409						
1998	301						5a. COMPUTERS Component cost of \$25,000.00 or less		
1997							COST	ASSESSOR'S USE ONLY	
1996	71,019		336,718				2008		
1995							2007		
1994							2006		
1993							2005		
1992							2004		
1991							2003		
1990							2002		
1989							2001		
1988							Prior		
1987							Total		
Prior							5b. COMPUTERS - Component cost of \$25,000.01 to \$500,000.00		
Total	381,110	108,221	308,336	537,836	104,611	3500	COST	ASSESSOR'S USE ONLY	
Add TOTALS on lines 19, 32, 34, 43, 46 and any additional schedules. ENTER HERE AND ON PART II, LINE 2							646,057		
ASSESSOR'S USE ONLY									
CLASSIFICATION	COL	FULL VALUE BASE	FULL VALUE	PERS. PROP. RCLND	PERS. PROP. ADJUSTMENT	PERS. PROP. FULL VALUE			
Machinery & equipment	1		758,694				2005		
Office furniture & equipment	2		1000				2004		
Tools, molds, dies & jigs	4		959,694				2003		
Computers	5a						2002		
	5b						2001		
	5c						Prior		
Other equipment	3						Total		
Schedule B -- Fixtures	-						5c. COMPUTERS - Provide total cost of components costing \$500,000.01 or more and attach detailed schedule by year of acquisition		
TOTALS							TOTAL COST		

Attach schedules as needed. Line 69 "Prior" — Report detail by year(s) of acquisition on a separate schedule.

LINE NO	Calendar Year of Acq.	BUILDINGS, BUILDING IMPROVEMENTS, AND/OR LEASEHOLD IMPROVEMENTS				3. LAND IMPROVEMENTS (e.g., blacktop, curbs, fences)		4. LAND AND LAND DEVELOPMENT (e.g., fill, grading)	
		1. STRUCTURE ITEMS ONLY (see instructions)		2. FIXTURES ONLY (see instructions)		COST	ASSESSOR'S USE ONLY	COST	ASSESSOR'S USE ONLY
		COST	ASSESSOR'S USE ONLY	COST	ASSESSOR'S USE ONLY				
47	2008								
48	2007								
49	2006			7,266					
50	2005								
51	2004								
52	2003			39,820					
53	2002								
54	2001								
55	2000								
56	1999								
57	1998								
58	1997			7,740					
59	1996			151,564					
60	1995								
61	1994								
62	1993								
63	1992								
64	1991								
65	1990								
66	1989								
67	1988								
68	1987								
69	Prior								
70	Total	348,862	24,954	206,390					
71	Add TOTALS on line 70 and any additional schedules. ENTER HERE AND ON PART II, LINE 4								206,390
72	Have you received allowances for tenant improvements for the current reporting period that are not reported above? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes indicate amount \$ _____								

REMARKS:

Circuit City Stores, Inc.-Shasta County Assessor (Location Redding Mini-Ss (S/L) - 01614)

BUSINESS PROPERTY STATEMENT
Tax Year 2009

Shasta County Assessor

Declaration of Property Belonging to Others
Informational Filing Only - Please Bill Lessor Directly

Lessor Name and Address	Tax Obligation	Lease Type	Year of Acq.	Description of Item State Class / Owner Class Asset # / Lease #	Cost	Annual Rent
IBM PO Box 12195, Research Triangle Park, NC 27709	A		2005	SYMBOL LS 2208 HAND-HELD Computers <=\$25,000 (BA303) / CL 85554IBM / 12/28/2005Deal	201	66.96
	A		2005	SYMBOL LS 2208 HAND-HELD Computers <=\$25,000 (BA303) / CL 85556IBM / 12/28/2005Deal	201	66.96
	A		2005	SYMBOL AP 200 ACCESS PORT Computers <=\$25,000 (BA303) / CL 85557IBM / 12/28/2005Deal	442	147.24
	A		2005	SYMBOL AP 200 ACCESS PORT Computers <=\$25,000 (BA303) / CL 85558IBM / 12/28/2005Deal	442	147.24
	A		2005	SYMBOL AP 200 ACCESS PORT Computers <=\$25,000 (BA303) / CL 85559IBM / 12/28/2005Deal	442	147.24
	A		2005	SYMBOL PD 8500 PIN PAD / Computers <=\$25,000 (BA303) / CL 85560IBM / 12/28/2005Deal	593	197.52

BUSINESS PROPERTY STATEMENT
Tax Year 2009

Shasta County Assessor

Declaration of Property Belonging to Others
Informational Filing Only - Please Bill Lessor Directly

Lessor Name and Address	Tax Obligation	Lease Type	Year of Acq.	Description of Item State Class / Owner Class Asset # / Lease #	Cost	Annual Rent
	A		2005	SYMBOL PD 8500 PIN PAD / Computers <=\$25,000 (BA303) / CL 85561IBM / 12/28/2005Deal	593	197.52
	A		2005	SYMBOL ES-3000 24 PORT Computers <=\$25,000 (BA303) / CL 85562IBM / 12/28/2005Deal	1,134	378.12
	A		2005	SYMBOL WS 5100 WIRELESS Computers <=\$25,000 (BA303) / CL 85563IBM / 12/28/2005Deal	1,288	429.12
	A		2005	SYMBOL WS 5100 WIRELESS Computers <=\$25,000 (BA303) / CL 85564IBM / 12/28/2005Deal	1,365	455.04
	A		2005	APC SMART 3000 UPS Computers <=\$25,000 (BA303) / CL 90537IBM / 12/28/2005Deal	2,046	681.84
	A		2005	SYMBOL - SOFTWARE Computers <=\$25,000 (BA303) / CL 91502IBM / 12/28/2005Deal	906	302.04

BUSINESS PROPERTY STATEMENT

Shasta County Assessor

Tax Year 2009

Total

9,653

Summary by State Class and Acquisition Year Declaration of Property Owned and Used by Owner

Shasta County Assessor - Redding Mini-Ss (S/L)

Assessment Date: 01/01/2009

Assessed - Inventory

Supplies(i)	State Class	Year	Reported Cost	Current Value	Rendered Value	Assessor's Use
			170.96	170.96	171.00	
			170.96	170.96	171.00	
			170.96	170.96	171.00	
Total						

Redding Mini-Ss (S/L)
Property Location: 1175 Dana Drive
Redding, CA 96003

Taxpayer's Address:
Circuit City Stores, Inc.
Attention: Tax Department
P.O. Box 42304
Richmond, VA 23242

Summary by State Class and Acquisition Year
Declaration of Property Owned and Used by Owner

Shasta County Assessor - Redding Mini-Ss (S/L)

Assessment Date: 01/01/2009

Assessed - Personal Property

State Class	Year	Reported Cost	Current Value	Rendered Value	Assessor's Use
Computers, General Purpose	2008	647.64	427.44	427.00	
	2006	8,702.56 ✓	2,088.62	2,089.00	
	2005	13,951.31 ✓	2,092.69	2,093.00	
	2004	1,215.75 ✓	121.58	121.00	
	2003	9,018.40 ✓	541.10	541.00	
	2001	6,661.50 ✓	133.23	133.00	
	1996	62,810.07 ✓	1,256.20	1,256.00	
		103,007.23	6,660.86	6,660.00	
State Class	Year	Reported Cost	Current Value	Rendered Value	Assessor's Use
Furn & Fix - Office	1996	7,089.00 ✓	1,205.13	1,205.00	
		7,089.00	1,205.13	1,205.00	
State Class	Year	Reported Cost	Current Value	Rendered Value	Assessor's Use
Leasehold Improvements- Fixtures (C2901)	2006	7,266.19 ✓	4,795.69	4,796.00	
	2003	39,820.19 ✓	13,937.07	13,938.00	
	1997	7,740.00 ✓	232.20	232.00	
	1996	151,564.38 ✓	4,546.93	4,546.00	
		206,390.76	23,511.89	23,512.00	
State Class	Year	Reported Cost	Current Value	Rendered Value	Assessor's Use
Machinery & Equipment	2007	642.70 ✓	559.15	559.00	
	2006	26,526.44 ✓	21,221.15	21,221.00	
	2002	9,322.87 ✓	4,754.66	4,755.00	
	2001	409.28 ✓	180.08	180.00	
	1998	301.00 ✓	78.26	78.00	
	1996	71,019.18 ✓	12,073.26	12,074.00	
		108,221.47	38,866.56	38,867.00	

Redding Mini-Ss (S/L)
Property Location: 1175 Dana Drive
Redding, CA 96003Taxpayer's Address:
Circuit City Stores, Inc.
Attention: Tax Department
P.O. Box 42304
Richmond, VA 23242

Summary by State Class and Acquisition Year Declaration of Property Owned and Used by Owner

Shasta County Assessor - Redding Mini-Ss (S/L)

Assessment Date: 01/01/2009

Assessed - Personal Property

State Class	Year	Reported Cost	Current Value	Rendered Value	Assessor's Use
Office Furniture & Equipment (C1801)	2008	539.89	485.90	486.00	
	2007	4,377.93 4,775.7	3,546.12	3,546.00	
	2006	2,686.28 ✓	1,907.26	1,907.00	
	2003	191,083.96 ✓	80,255.25	80,258.00	
	2002	2,021.45 ✓	667.08	668.00	
	1999	409.28 ✓	57.30	57.00	
	1996	329,628.69 ✓	13,185.15	13,185.00	
Total		530,747.48	100,104.06	100,107.00	
		955,455.94	170,348.50	170,351.00	

Redding Mini-Ss (S/L)

Property Location: 1175 Dana Drive
Redding, CA 96003

Taxpayer's Address:
Circuit City Stores, Inc.
Attention: Tax Department
P.O. Box 42304
Richmond, VA 23242

Summary by State Class and Acquisition Year Declaration of Property Belonging to Others

Assessment Date: 01/01/2009

Tax Obligation of Owner, not Taxpayer Personal Property

Shasta County Assessor - Redding Mini-Ss (S/L)

Assessor's Use

Current Value

Reported Cost

Year

Computers <=\$25,000 (BA303)

9,651.70

2005

9,651.70

Total

9,651.70

Redding Mini-Ss (S/L)

Property Location: 1175 Dana Drive
Redding, CA 96003

Taxpayer's Address:
Circuit City Stores, Inc.
Attention: Tax Department
P.O. Box 42304
Richmond, VA 23242

Memorandum

To: Tax Assessor

cc: File

From: Scott Ash

Date: February 18th, 2009

Re: Property Tax Returns

On November 10, 2008, Circuit City Stores, Inc. and seventeen of its direct and indirect subsidiaries (the "Debtors") filed for bankruptcy protection under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Eastern District of Virginia, Richmond Division. The commencement of this proceeding created a wide variety of added filing, reporting, recordkeeping and other administrative responsibilities for the Debtors' corporate staff, which continue to occupy the Debtors' staff as the bankruptcy proceeding continues.

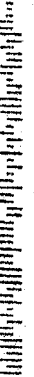
Attached is the Debtors' 2009 Business Personal Property Return for assets located in your jurisdiction. Although the original cost figures in the return(s) are, to the best of the Debtors' knowledge, accurate, the Debtors' personnel together with outside appraisers and consultants are conducting a detailed critical analysis and considering the potential need for additional adjustments. In particular, no additional adjustments for functional, economic, or other forms of external obsolescence, or other adjustments based on indicated value by application of an income or market-sales-derived analysis, were made. The value from the return is merely the value estimate derived by applying standardized schedule adjustments for physical depreciation to the original cost, and input the mathematical result without consideration of the overall market conditions for such assets.

As a result, the rendered value numbers reflect only original cost adjusted for physical depreciation by standardized state schedules, and exceed the Debtors' opinion of the actual value of the assets after inclusion of all appropriate adjustments of a cost-derived valuation formula for applicable forms of depreciation and obsolescence. The basis of this assessment by the Debtors is the ongoing sales activity of similar assets of the Debtors' estates, all of which indicate that the values on the tax rolls are excessive.

Once the appropriate valuation work has been conducted, the Debtors will provide their estimates of value. At this point in time, it is the Debtors' opinion that the figure reflected in the attached return may be excessive. It is NOT the Debtors' opinion of value of the assets in the attached return.

Accordingly, the Debtors reserve any and all of their rights to challenge the values on the returns, and to challenge and/or object to any and all taxes asserted against them in the Bankruptcy Court or otherwise.

Circuit City Store
Tax Department
P.O. Box 4230
Richmond, VA 23242-2304



SHASTA COUNTY ASSESSOR
1450 COURT STREET, SUITE 208-A
REDDING, CA 96001-1667

1614

